

SUCCESS STORY

Indulac

Puerto Rico Manufacturing Extension Inc

“Participating in the [ExporTech] gave us the tools to understand how to approach any export initiative. It goes well beyond addressing a specific market; the access to subject experts is priceless. I would highly recommend the program to any organization seriously looking to increase their export activity.” Hector R. Quinones, Purchasing, Sales and Marketing Manager

ExporTech Expands Puerto Rico's Excess Milk Sales

ABOUT. Industria Lechera de Puerto Rico, Inc. (INDULAC) is a private tax exempt corporation, governed by a Board of Directors, made up of members representing cattle ranchers and the private sector. This corporation is property of the Fund for the Promotion of the Milk Industry. Located in San Juan, Puerto Rico, Indulac began operations in 1955 and currently employs 105 people. Indulac's dairy products include UHT milk and butter.

THE CHALLENGE. Indulac needed to export excess milk to keep both the cattle ranchers and the processing plant at a viable economic level. Only 8 percent of total company sales were related to exporting activities, mainly to distributors within the Caribbean Islands. Despite marketing efforts, local fresh milk consumption was diminishing as a trend, forcing the company to decommission raw and processed milk at a significant annual cost. It also had to discontinue white cheese production despite good market level acceptance. Indulac reached out to Puerto Rico Manufacturing Extension, Inc. (PRiMEX), a NIST MEP affiliate, for assistance in developing an export plan.

MEP'S ROLE. PRiMEX recommended the ExporTech Program to Indulac's management team. Sponsored by PRiMEX and the Puerto Rico Trade and Export Company, the program helped Indulac increase exports. ExporTech assigned a marketing intern to Indulac, who for six months helped the company define market strategies, identify obstacles, and develop an export plan with an understanding of the associated business risks. The company and the intern shared activities with PRiMEX consultants and various subject industry experts in related products and market targets. To increase market share, Indulac reintroduced white cheese, along with new products such as flavored milk and lactose free milk. The company is targeting Panama and US for its product exports.



RESULTS



Increased exports by **12%** of total sales



Savings in excess of \$1M/yr



17 new jobs



Increased milk processing **21%**

NEXT STEPS



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